

Appropriation Ordinance and Resolutions

Appropriations

Appropriations Limit

Harbor Department Resolution

Water Department Resolution



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ORDINANCE NO. C-7873

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING AND ADOPTING
THE OFFICIAL BUDGET OF THE CITY OF LONG BEACH
FOR THE FISCAL YEAR 2003-04, CREATING AND
ESTABLISHING THE FUNDS OF THE MUNICIPAL
GOVERNMENT OF THE CITY OF LONG BEACH AND
APPROPRIATING MONEY TO AND AUTHORIZING
EXPENDITURES FROM SAID FUNDS FOR SAID FISCAL
YEAR; DECLARING THE URGENCY THEREOF, AND
PROVIDING THAT THIS ORDINANCE SHALL TAKE
EFFECT AT 12:01 A.M. ON OCTOBER 1, 2003

The City Council of the City of Long Beach ordains as follows:

Section 1. The City Manager's Recommended Budget which was
submitted to the City Council on August 15, 2003 by the Mayor, and which constitutes
the preliminary budget for the fiscal year beginning October 1, 2003, as amended, is
hereby adopted as the official budget of the City of Long Beach for fiscal year 2003-04.

Sec. 2. The amounts appropriated in Sections 3 and 4 shall govern
and control the expenditures for fiscal year 2003-04 of the several fund types, funds,
departments, offices and agencies stated therein. Said amounts conform to the
adopted budget of the City of Long Beach as set forth in Section 1. All detailed
schedules and other data set forth in the City Manager's Recommended Budget other
than those mentioned in this ordinance are provided for information purposes only and
are not intended to limit expenditures.

Sec. 3. The Funds specified in Exhibit "A" are hereby established,
those of such funds not otherwise created are hereby created, and the specified sums

1 of money set forth opposite the names of said funds are hereby appropriated and
2 authorized to be spent in 2003-04, all of which sums are based on the approved and
3 adopted budget.

4 Sec. 4. The specified sums of money set forth opposite the names
5 of the following departments, offices and agencies in Exhibit "B" are hereby
6 appropriated and authorized to be spent in fiscal year 2003-04, all of which sums are
7 based upon the approved and adopted budget.

8 Sec. 5. This is an emergency measure and is urgently required for
9 the reason that in order to carry on the affairs, functions and business of the City of
10 Long Beach during the fiscal year which begins on October 1, 2003, it is necessary to
11 authorize the expenditure of monies required for such purposes. Currently, no authority
12 exists to pay the salaries and wages of the officers and employees of said City or to
13 make the necessary purchases of supplies, equipment and services to carry on the
14 affairs, functions and business of said City in the forthcoming fiscal year. Commencing
15 on October 1, 2003 it will be necessary for the City of Long Beach to make certain
16 payments on the principal and interest of the bonded indebtedness of said City and to
17 meet the payrolls of the various departments of said City, including the Police, Fire and
18 Health Departments.

19 In order that said obligations may be met when due and payable and said
20 expenditures may be made, it is necessary that this ordinance be passed as an
21 emergency measure, to take effect at 12:01 a.m. on October 1, 2003.

22 Sec. 6. If any section, subsection, subdivision, sentence, sum,
23 percentage, clause or phrase of this ordinance is for any reason held to be
24 unconstitutional, invalid or void, such decision shall not affect the validity of the
25 remaining portions of this ordinance. The City Council hereby declares that it would
26 have passed this ordinance, and every section, subsection, subdivision, sentence, sum,
27 percentage, clause and phrase thereof, irrespective of the fact that any one or more
28 sections, subsections, subdivisions, sentences, sums, percentages, clauses or phrases

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10 I hereby certify that on a separate roll call and vote which was taken by
11 the City Council of the City of Long Beach upon the questions of the emergency of this
12 ordinance at its meeting of September 16, 2003 the ordinance was
13 declared to be an emergency by the following vote:

18 Noes: Councilmembers: None.

20 Absent: Councilmembers: None.

25 || *////*

26 |||

27 || *////*

28 |||

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1 Long Beach by the following vote:

2 Ayes: Councilmembers: Lowenthal, Baker, Colonna,
3 Carroll, Kell, Richardson,
4 Reyes Uranga, Webb, Lerch.
5 _____
6 Noes: Councilmembers: None.
7 _____
8 Absent: Councilmembers: None.
9 _____
10 _____

11 I further certify that the foregoing ordinance was thereafter adopted on
12 final reading of the City Council of the City of Long Beach at its meeting of
13 September 23, 2003, by the following vote:

14 Ayes: Councilmembers: Lowenthal, Baker, Colonna,
15 Carroll, Kell, Richardson,
16 Reyes Uranga, Webb.
17 _____
18 Noes: Councilmembers: None.
19 _____
20 Absent: Councilmembers: Lerch.
21 _____
22 _____

24 Approved: 9/23/03
25 (Date)

23 [Signature]
City Clerk
24 [Signature]
25 (Mayor)

26 HAM:fl
27 8/26/03
28 L:\APPS\CityLaw\32\WPDOCS\10025\100049597.WPD
#03-03879

Exhibit "A"

FISCAL YEAR 2004 APPROPRIATIONS ORDINANCE BY FUND

<u>FUND</u>	<u>FY 04 NEW ALLOCATION</u>	<u>FY 03 ESTIMATED CARRYOVER*</u>	<u>FY 04 APPROPRIATION</u>
GENERAL FUND	\$ 360,561,514	\$ -	\$ 360,561,514
GENERAL GRANTS FUND			
HEALTH FUND	37,581,016	22,057,832	59,618,848
PARKING & BUSINESS AREA IMPROVEMENT FUND	2,445,000	-	2,445,000
SPECIAL ADVERTISING & PROMOTION FUND	5,056,349	-	5,056,349
UPLAND OIL FUND	8,681,527	-	8,681,527
HOUSING DEVELOPMENT FUND	12,018,350	5,119,721	17,138,071
BELMONT SHORE PARKING METER FUND	574,137	-	574,137
BUSINESS ASSISTANCE FUND	2,739,431	-	2,739,431
COMMUNITY DEVELOPMENT GRANTS FUND	24,703,049	40,016,551	64,719,601
PARK DEVELOPMENT FUND	1,245,907	-	1,245,907
GASOLINE TAX STREET IMPROVEMENT FUND	10,748,973	15,832,769	26,581,742
TRANSPORTATION FUND	15,485,060	16,027,372	31,512,433
CAPITAL PROJECTS FUND	15,817,121	71,810,776	87,627,897
CIVIC CENTER FUND	846,282	12,408,624	13,252,907
GENERAL SERVICES FUND	36,513,893	-	36,513,893
FLEET SERVICES FUND	24,377,379	161,445	24,538,824
INSURANCE FUND	37,393,207	-	37,393,207
EMPLOYEE BENEFITS FUND	133,698,147	-	133,698,147
TIDELANDS FUNDS	78,864,382	30,197,311	109,061,693
TIDELAND OIL REVENUE FUND	36,731,429	-	36,731,429
RESERVE FOR SUBSIDENCE	2,089,473	-	2,089,473
GAS FUND	84,725,707	7,198,075	91,923,783
AIRPORT FUND	36,938,880	16,989,494	53,928,375
REFUSE/RECYCLING FUND	30,792,557	-	30,792,557
SERRF FUND	48,348,080	-	48,348,080
SERRF JPA FUND	10,927,492	-	10,927,492
TOWING FUND	5,970,173	-	5,970,173
PARKING AUTHORITY FUND	507,437	-	507,437
HOUSING AUTHORITY FUND	49,589,237	1,066,046	50,655,283
REDEVELOPMENT FUND	59,063,888	26,850,603	85,924,591
CUPA FUND	884,756	-	884,756
TOTAL	\$ 1,173,890,894	\$ 265,744,620	\$ 1,439,635,514

* Carryover of multi-year grants and CIP funds.

Exhibit "B"

FISCAL YEAR 2004 APPROPRIATIONS ORDINANCE BY DEPARTMENT

<u>DEPARTMENT</u>	<u>FY 04 NEW ALLOCATION</u>	<u>FY 03 ESTIMATED CARRYOVER*</u>	<u>FY 04 APPROPRIATION</u>
MAYOR AND COUNCIL	\$ 4,045,433	\$ -	\$ 4,045,433
CITY ATTORNEY	8,272,640	-	8,272,640
CITY AUDITOR	2,301,493	-	2,301,493
CITY CLERK	3,092,043	-	3,092,043
CITY MANAGER	8,176,309	-	8,176,309
CITY PROSECUTOR	3,886,247	-	3,886,247
CIVIL SERVICE	2,451,545	-	2,451,545
COMMUNITY DEVELOPMENT	160,759,751	73,035,328	233,795,079
FINANCIAL MANAGEMENT**	262,769,822	582,628	263,352,450
FIRE	69,441,643	-	69,441,643
HEALTH AND HUMAN SERVICES	43,414,177	22,057,832	65,472,009
HUMAN RESOURCES	7,389,904	-	7,389,904
LIBRARY SERVICES	11,428,849	-	11,428,849
LONG BEACH ENERGY	196,188,361	7,198,075	203,386,436
OIL PROPERTIES	44,937,572	-	44,937,572
PARKS, RECREATION AND MARINE	46,308,226	-	46,308,226
PLANNING AND BUILDING	11,477,117	-	11,477,117
POLICE	150,259,965	-	150,259,965
PUBLIC WORKS	105,573,936	162,870,756	268,444,692
TECHNOLOGY SERVICES	34,800,697	-	34,800,697
TOTAL	\$ 1,176,975,728	\$ 265,744,620	\$ 1,442,720,348

* Carryover of multi-year grants and CIP funds.

** Department of Financial Management includes Water, Sewer and Harbor Fund internal service charges that are contained in the resolutions of those funds.

RESOLUTION NO. C- 28261

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH ADOPTING AN APPROPRIATIONS
LIMIT FOR THE CITY OF LONG BEACH FOR THE
2003-2004 FISCAL YEAR PURSUANT TO ARTICLE XIII(B)
OF THE CALIFORNIA CONSTITUTION

WHEREAS, Article XIII(B) of the California Constitution provides for an
annual appropriations limit for state and local governments beginning with the 1980-81
fiscal year, based on 1978-79 appropriations, as adjusted for specified annual changes
in population and inflation; and

WHEREAS, Section 7910 of the Government Code also provides that 15
days prior to such meeting, documentation used in the determination of the
appropriations limit shall be available to the public; and that each year the City Council
shall, by resolution, establish the appropriations limit for the City of Long Beach for the
following fiscal year; and

WHEREAS, Proposition 111 subsequently amended Article III(B) of the
California Constitution to provide for certain revisions in the population and inflation
factors used in the calculation of the appropriations limit and to provide for a
recalculation of the appropriation limit date for the years 1987-88 through 1990-91; and

WHEREAS, Proposition 111 provided that one factor that may be used in
the calculation of the appropriations limit is the increase in local non-residential
assessed value due to new construction for the years 1987-88 through 1992-93; and

WHEREAS, the documentation which is attached hereto and made a part
hereof as Exhibit "A" was used in the determination of the appropriations limit for the
2003-2004 fiscal year, and has been available for public inspection in the office of the
City Clerk since August 18, 2003;

Robert J. Iannoni
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 NOW, THEREFORE, the City Council of the City of Long Beach resolves
2 as follows:

3 Section 1. The appropriations limit for the City of Long Beach for fiscal
4 year 2003-2004 shall be \$447,586,032.

5 Sec. 2. This resolution shall take effect immediately upon its adoption by
6 the City Council, and the City Clerk shall certify the vote adopting this resolution.

7 I hereby certify that the foregoing resolution was adopted by the City
8 Council of the City of Long Beach at its meeting of September 16, 2003, by the
9 following vote:

10 Ayes: Councilmembers: Lowenthal, Baker, Colonna, Carroll,
11 Kell, Richardson, Reyes Uranga,
12 Webb, Lerch.

13
14 Noes: Councilmembers: None.

15
16 Absent: Councilmembers: None.

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19 
20 City Clerk

"EXHIBIT A"

CITY OF LONG BEACH

I. DETERMINATION OF FISCAL YEAR 2003-2004

APPROPRIATIONS LIMIT

Based On Budgeted Revenues

2002-2003 Appropriations Limit:		\$429,998,269
Adjustment Factor (See Below):	x	1.040902
2003-04 Appropriations Limit:		\$447,586,032

II. DETERMINATION OF APPROPRIATIONS FACTOR

Price Factor:	1.023100
Change in Per Capita Income Department of Finance estimate pursuant to Revenue Tax Code, Sec. 2227 and 2228, California = 2.31%	
Ratio = $(2.31+100)/100 =$	1.0231
Population Change:	1.017400
Department of Finance estimate pursuant to Revenue Tax Code, Sec. 2227 and 2228, California = 1.74%	
Ratio = $(1.74+100)/100 =$	1.0174
Adjustment Factor:	1.040902
1.0231×1.0174 Factors were converted to ratios per State guidelines.	

11-3
1 RESOLUTION NO. C-

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE CITY
4 OF LONG BEACH APPROVING THE 2003-2004 BUDGET OF
5 THE LONG BEACH HARBOR DEPARTMENT
6

7 WHEREAS, Ordinance No. C-7300 of the City Council establishes the fiscal
8 year of the City as beginning on October 1 and ending on September 30 of the following
9 year; and

10 WHEREAS, the annual budget of the Long Beach Harbor Department for the
11 2003-2004 fiscal year was adopted by the Board of Harbor Commissioners in its meeting
12 of July 14, 2003 by minute order; and

13 WHEREAS, said annual budget has been filed with the City Clerk for
14 presentation to the City Council and with the City Auditor pursuant to the provisions of
15 Section 1210 of the Charter of the City of Long Beach;

16 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
17 follows:

18 Section 1. The annual budget of the Long Beach Harbor Department for the
19 2003-2004 fiscal year, adopted by the Board of Harbor Commissioners in its meeting of
20 July 14, 2003 by minute order, a copy of which is attached hereto and made a part hereof
21 by reference, is hereby approved pursuant to the provisions of Section 1210 of the Charter
22 of the City of Long Beach.

23 Sec. 2. The City Clerk shall file a certified copy of said budget, as approved,
24 with the Board of Harbor Commissioners and the City Auditor.

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28 //

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Telephone (562) 570-2200

Sec. 3. The City Clerk shall certify to the passage of this Resolution by the City Council of the City of Long Beach, and it shall thereupon take effect.

I hereby certify that the foregoing Resolution was adopted by the City Council of the City of Long Beach at its meeting of September 16, 2003 by the following vote:

Ayes: Councilmembers: Lowenthal, Baker, Colonna, Carroll,
Kell, Richardson, Reyes Uranga,
Webb, Lerch.

Noes: Councilmembers: None.

Absent: Councilmembers: None.


City Clerk

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
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Telephone (562) 570-2200

DTH:dmp
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THE HARBOR DEPARTMENT OF THE CITY OF LONG BEACH
BUDGET SUMMARY
FISCAL YEAR 2004
(in \$000)

ESTIMATED FUNDS AVAILABLE

1. Unrestricted funds at October 1,		321,942
2. Revenues for Fiscal year		
a. Operating revenues	241,500	
b. Other revenues	52,669	
b. Oil operations	<u>14,731</u>	308,900
3. Revenue bond proceeds		
TOTAL ESTIMATED FUNDS AVAILABLE		<u><u>630,842</u></u>

ESTIMATED EXPENDITURES AND COMMITMENTS

1. Personal services		29,425
2. Non-personal expenditures		
a. Port Operations	34,039	
b. Oil Operations	<u>17,409</u>	51,448
3. Debt service		95,804
4. Operating transfers		9,057
5. Capital outlay		<u>216,754</u>
Total Estimated Expenditures		402,489
6. Reserve for Commitments		228,353
TOTAL ESTIMATED EXPENDITURES AND COMMITMENTS		<u><u>630,842</u></u>

BOARD OF HARBOR COMMISSIONERS

BY John W. Hancock
John W. Hancock, President

BY Doris Topsy-Elvord
Doris Topsy-Elvord, Secretary

DATED: 7/14/03

Certified as a True and
Correct Copy

John T. He
Executive Secretary
Board of Harbor Commissioners
of the City of Long Beach, CA

Dated 7-04-03

RESOLUTION NO. C-28243

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING THE 2003-2004
BUDGET OF THE LONG BEACH WATER DEPARTMENT AS
ADOPTED

WHEREAS, the annual budget of the Long Beach Water Department for the
2003-2004 fiscal year was adopted by the Board of Water Commissioners in its meeting
on July 24, 2003, by Resolution No. WD-1185; and

WHEREAS, it appears advisable to approve said budget, pursuant to the
provisions of Section 1405 of the Charter of the City of Long Beach;

NOW, THEREFORE, the City Council of the City of Long Beach resolves, as
follows:

Section 1. That the annual budget of the Long Beach Water Department for
the 2003-2004 fiscal year adopted by the Board of Water Commissioners at its meeting
on July 24, 2003 by Resolution No. WD-1185, is hereby approved pursuant to the
provisions of Section 1405 of the Charter of the City of Long Beach.

Sec. 2. The City Clerk shall file a certified copy of said budget, as hereby
approved, with the Board of Water Commissioners and the City Auditor.

Sec. 3. This resolution shall take effect immediately upon its adoption by the
City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council

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Robert Annon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 of the City of Long Beach at its meeting of September 16, 2003, by the following
2 vote:

3 Ayes: Councilmembers: Lowenthal, Baker, Colonna,
4 Carroll, Kell, Richardson,
5 Reyes Uranga, Webb, Lerch.
6 _____

7 Noes: Councilmembers: None.
8 _____

9 Absent: Councilmembers: None.
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13 City Clerk
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28 DFG:rjr 07/17/03 (2003-04WaterBudget_RES) #02-03047
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1 RESOLUTION NO. WD-1185

2
3 A RESOLUTION OF THE BOARD OF WATER
4 COMMISSIONERS ADOPTING THE ANNUAL BUDGET FOR
5 THE LONG BEACH WATER DEPARTMENT FOR THE
6 FISCAL YEAR 2003-2004

7
8 The Board of Water Commissioners of the City of Long Beach resolves as
9 follows:

10 Section 1. That the annual department budget of the Long Beach Water
11 Department for the fiscal year 2003-2004, as follows, be and the same is hereby adopted:

12 WATER

13 Estimated Contingency Fund Balance 10-1-2003 \$ 4,310,500
14 Estimated Revenues 73,171,000
15 Total Estimated Resources 77,481,500
16 Estimated Expenditures 73,608,520
17 Estimated Contingency Fund Balance 9-30-2004 3,872,980

18 SEWER

19 Estimated Contingency Fund Balance 10-1-2003 3,438,970
20 Estimated Revenues 9,793,900
21 Total Estimated Resources 13,232,870
22 Estimated Expenditures 10,831,707
23 Estimated Contingency Fund Balance 9-30-2004 2,401,163

24 Detailed schedules and other data which accompany the budget are provided
25 for information purposes only and are not intended to limit expenditures.

26 Sec. 2. The Secretary of the Board of Water Commissioners shall certify to
27 the passage of this resolution, and cause copies of the same to be filed with the City
28 Council, the City Auditor and the City Manager.

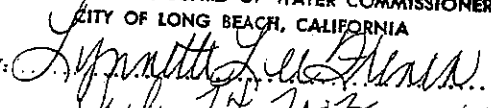
1 I hereby certify that the foregoing resolution was adopted by the Board of
2 Water Commissioners of the City of Long Beach, at its meeting of July 24, 2003, by the
3 following vote:

4 Ayes: Commissioners: RICHARD WILLIAMS, BENNETT LONG,
5 FRANK CLARKE
6
7 Noes: Commissioners: NONE
8 Absent: Commissioners: HELEN HANSEN, STEPHEN CONLEY
9

10 
11 ACTING Secretary
12 BOARD OF WATER COMMISSIONERS
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Rober hannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

28 DFG:rjr 07/14/03 (WD-1185_RES) #02-03047
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CERTIFIED AS A TRUE AND CORRECT COPY
SECRETARY TO THE BOARD OF WATER COMMISSIONERS
CITY OF LONG BEACH, CALIFORNIA
BY: 
DATE: July 24, 2003

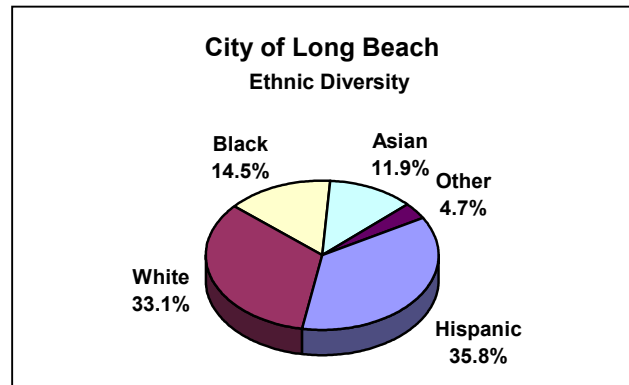
Understanding The City's Budget



City of Long Beach Demographics

GOVERNMENT

The City of Long Beach, California covers approximately 52 square miles on the southern coast of Los Angeles County. With a current population of approximately 481,000, Long Beach is the second largest city in Los Angeles County and the fifth largest city in the state. It is a diverse and dynamic city that, based on the 2000 Census, has the following ethnic breakdown: 35.8% Hispanic, 33.1% White, 14.5% Black, 11.9% Asian, and 4.7% all other ethnicities.



Long Beach was originally incorporated in 1888. After a short period of disincorporation, the City was reincorporated on December 3, 1897. Since 1921, Long Beach has been governed as a charter city, and operates under a Council-Manager form of government.

The City Council is made up of nine members, elected by district. The Mayor is chosen in a citywide election to serve as the full-time chief legislative officer of the City. Although the Mayor does not vote, the Mayor presides over City Council meetings, presents the annual budget to the City Council and has veto power over Council actions. The Vice-Mayor is elected by the Council from among its members.

The City has three other full-time elected officials: City Attorney, City Auditor and City Prosecutor. The City Council appoints the City Clerk and City Manager. The Mayor nominates and the City Council approves members to various boards and commissions. The Civil Service Commission, Board of Water Commissioners and Board of Harbor Commissioners oversee operations of their respective departments while all other City departments report directly to the City Manager.

The City Manager serves at the discretion of the City Council. As head of the municipal government, the City Manager is responsible for the efficient administration of all departments, with the exception of the elective offices and the three semi-autonomous commissions. The City currently employs approximately 5,850 full-time equivalent positions within 22 departments.

In addition to the usual municipal services of police, fire, public works, library, and parks and recreation, the City of Long Beach owns and operates a leading deep-water port, offshore and onshore oil production, a gas utility, a water utility, a convention and entertainment center, aquarium, museum, two historic ranchos, a commercial airport, marinas and golf courses.

EDUCATION

The Long Beach Unified School District is the third largest public school system in California and serves over 97,000 kindergarten through twelfth grade students. The district's 95 schools are located in Long Beach, Signal Hill, Lakewood, and on Catalina Island. Long Beach City College has an enrollment exceeding 27,000 students. The college offers 130 Associate of Arts/Science degree programs, and the opportunity to complete up to two years in any of 81 baccalaureate programs for transfer to a four-year college or university.

California State University, Long Beach (CSULB) is the State University system's second largest campus. With approximately 34,566 students, CSULB offers 77 baccalaureate programs, 63 master degree programs, and one joint doctoral degree. Through University College and Extension Services, more than 33,000 students attend 550 credit and non-credit courses offered year-round.

BUSINESS AND INDUSTRY

The City of Long Beach is a center for aerospace, petroleum, shipping and tourism, along with a wide variety of office and retail opportunities. Downtown alone is home to 4.1 million square feet of commercial office space.

Currently, the largest employer within the city is the Long Beach Unified School District, which operates 90 regular and five charter schools. The district's workforce of 11,096 employees ensures the success of students by maintaining high standards, a commitment to excellence, and by offering a comprehensive scholastic program.



The City's second largest employer, the Boeing Corporation, operates a 424-acre facility at the Long Beach Airport where they employ approximately 10,500 persons. The facility exceeds 6.7 million square feet of space and is currently utilized for the production of the Boeing 717 commercial jetliner, the C-17 military transport plane, and program support for production lines in other locations. In what will be one of the region's largest land redevelopment efforts, Boeing is in the process of converting 260 acres of their facility from industrial to commercial use in an effort to provide quality industrial, research and development space.

Other major employers in the City include California State University, Long Beach; the City of Long Beach; the Long Beach Memorial Medical Center; and the Veteran's Administration Medical Center.

Rank	Employer	Employees As of May 2003
1	L.B. Unified School District	11,096
2	Boeing	10,500
3	City of L.B. (includes part-time)	6,554
4	CSULB (includes part-time)	5,609
5	L.B. Memorial Medical Center	4,400
6	V.A. Medical Center	3,000
8	L.B. City College	2,000
7	St. Mary Medical Center	1,900
9	United States Postal Service	1,900
10	Gulfstream Aerospace Corp.	1,020

Oil production, private and municipally-owned, continues to be an important business in Long Beach with both offshore and onshore facilities. The Long Beach Unit Optimized Water-Flood Injection Process, authorized by State legislation, has improved oil recovery and lengthened field life in the Wilmington Oil Field. Continued application of new technology is expected to further increase oil recovery.

The Port of Long Beach remains one of the busiest container ports in the world. During Fiscal Year 2002, throughput exceeded approximately 4.7 million twenty-foot equivalent units (TEU) and 126 million metric revenue tons. International trading partners include the Pacific

Rim nations of Japan, China, Taiwan, and Korea. In addition to containers, the Harbor facility handles crude and refined petroleum products, dry bulk such as coal, coke and cement; automobiles, lumber, paper and fruit; steel and scrap metal.

As California's largest urban Enterprise Zone, Long Beach offers businesses five categories of State tax incentives aimed at stimulating new private investment, business expansion and job creation. These incentives include: sales tax credits; hiring tax credits; business expense deductions; net operating loss carryover and a net interest deduction for lenders. Over 10,000 businesses of varying sizes are in the Enterprise Zone. The Enterprise Zone designation is in place until 2007.

Tourism continues to be a growing industry in Long Beach, and the City attracts over 5.5 million visitors a year. A vital part of that industry is the Long Beach Convention and Entertainment Center. The Center's facilities include a 224,000 square-foot exhibit hall, 83,000 square feet of meeting room space, a ballroom able to comfortably seat 1,600, a 13,600-seat arena, and two theaters in the elegant Long Beach Performing Arts Center. Additionally, over 2,500 hotel rooms are within walking distance of the Convention Center.

The world-class Long Beach Aquarium of the Pacific, on Rainbow Harbor, is located across the water from the Convention Center, Shoreline Village and the historic Queen Mary. The Aquarium is home to 12,000 ocean animals from over 550 species indigenous to the Pacific Rim. It is a milestone in design, architecture and technology for the 21st century.

MAJOR DEVELOPMENTS

Construction continues on The Pike at Rainbow Harbor, a 350,000-square foot commercial complex consisting of restaurant, retail, and entertainment uses. The Pike will be a major waterfront attraction located between the Convention Center, the Aquarium of the Pacific and Rainbow Harbor. In addition, the adjacent Park at Harbour View is a \$250 million multi-phase, mixed-use development currently under construction and will include 538 apartments, 246 condominiums, a 500-room hotel, as well as office and retail space. Ocean Villas, a \$100 million luxury high-rise residential development at 350 East Ocean Boulevard broke ground in 2002 and will consist of 17-story twin towers containing 556 condominium units.



Construction is being completed for CityPlace, a major component in the revitalization of the downtown area. This \$75 million mixed-use development includes 370,000-square feet of urban scaled destination retail anchored by Wal-Mart; 85,000-square feet of neighborhood retail anchored by Albertson's and Sav-On; Nordstrom Rack and Ross stores; and up to 350 units of market rate housing for rent and for sale.



Carnival Cruises opened up its western United States cruise ship terminal at the Queen Mary in April 2003. The terminal is home to two 855-foot cruise ships with approximately 330,000 annual passengers. This project also includes renovation of a one-third of the former Spruce Goose Dome for a Carnival Cruise Line embarkation facility; a five-story, 1,300-space parking structure; and a new fire station with rescue boats for the surrounding area.

Passenger and aircraft traffic continue to be robust at the Long Beach Airport, as air carrier operations approach the 41-flight level permitted under the City's Noise Ordinance. Airport capital projects for FY 04 are focused on safety, security, and major infrastructure rehabilitation. The rehabilitation of Runway 12-30, the Airport's main runway for air carriers, is the primary project that will be undertaken this year. Other improvements to facilities include a new boarding lounge to provide needed passenger gates and a new concession area; an expanded baggage claim area; a new security screening area; and improved signage from the I-405 Freeway into the Airport.

Several key public safety projects currently remain under construction: the Emergency Communications and Operations Center, the North Division Police Station, the Public Safety Building Retrofit, and refurbishment of Fire Station #1. These projects will provide much needed facilities and will assist the Police and Fire Departments in continuing to deliver quality public safety services to both residents and visitors.

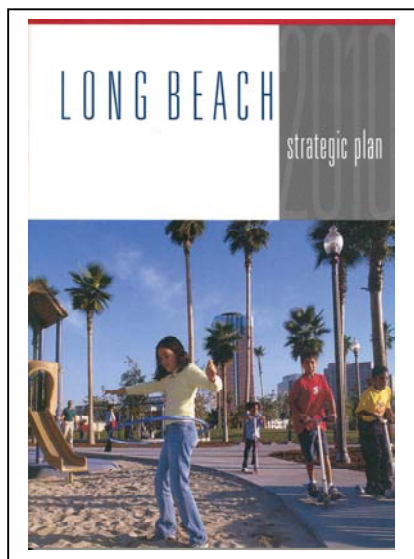
Future projects include the development of the Promenade, the North-South pedestrian right-of-way between 1st and 5th Streets. Construction is estimated to begin in 2003 for this urban, pedestrian-oriented, mixed-use development that will complement the Pine Avenue entertainment, East Village Arts, Convention Center and Pike areas. The West Gateway project, another mixed-use development, incorporates all or portions of seven blocks north of Broadway adjacent to the I-710 freeway with ground level neighborhood retail with approximately 800-1,000 residential units.

Performance Management Initiatives

Meeting the needs and expectations of the public through the City's diverse programs and services is one of the primary goals of the City. Such value can only be realized in an environment that encourages and rewards excellence, creativity, continuous improvement, accountability, customer service and greater efficiency and effectiveness in daily work practice. During the past few years, the City has initiated a number of Performance Management Initiatives (PMI) with the goal of maximizing the efficiency and effectiveness of government services and programs, and to provide standards based upon desired outcomes by which the City Council, community and City staff can measure and evaluate the costs and benefits of agreed upon operational goals. The City's PMI not only address improving service delivery and assist in identifying issues, partnerships and collaborations beyond organizational boundaries, but also align the City's major business processes and provide a framework for identifying needed resource reallocation.

Utilizing greater policy clarity from the City Council, the City will continue to evolve its PMI, and elevate the organization into a more effective provider of services – one with flexibility to adapt and respond to the community's needs, and one with the business intelligence to efficiently meet program objectives. There are several components of the City's PMI, each of which will be described in more detail throughout this section:

- *2010 Strategic Plan*
- *Three-Year Financial Strategic Plan*
- *Department Business Plans*
- *Department Service/Program Prioritization*
- *Work Process Review/Service Optimization*
- *Department Reorganization*
- *National Civic League Stakeholders Group*
- *ICMA Comparative Performance Measurement – Benchmarking*
- *City Manager's Annual Report to the Community*
- *Annual Budget Process*
- *Community Involvement*



2010 Strategic Plan – The city’s Strategic Plan, developed with intensive community involvement in 1999 and 2000, provides a ten-year, citywide vision for Long Beach that hundreds of individuals and organizations throughout the city helped to create. That vision reflects a community of neighborhoods focused on youth and education, with safety and economic opportunities for all, and a responsive, accountable government, in a healthy, sustainable environment. The Strategic Plan serves as the basis for long-range policy-making as well as annual goal setting for the City in the following five areas: Neighborhood Development, Education & Youth, Community Safety, Business Growth & Workforce Development and Environment.

The Strategic Plan provides the City with a future vision of Long Beach and recommends activities believed necessary to get us there. Such a comprehensive approach to the community’s future development requires the concerted efforts of local government, community-based organizations, the business community and the education sector at all levels. Therefore, the City continuously strives to establish partnerships and programs that achieve the goals of the Strategic Plan applicable to its scope of responsibility. The City’s PMI further assist in measuring the appropriateness of municipal programs and services against their progress in fulfilling the Strategic Plan’s desired outcomes.

Not only is it important for the city to have a Strategic Plan, it is equally important to monitor and report back to the community on the progress of its implementation. A means of benchmarking progress and communicating successes on an annual basis is through the City Manager’s Annual Report to the Community (please refer to the City Manager’s Annual Report to the Community subsection below for more detail), which is called for in the 2010 Strategic Plan.

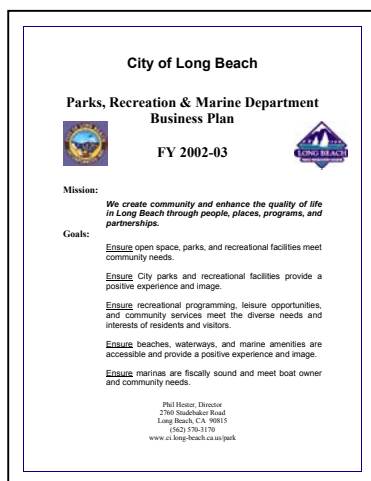
Furthermore, the City details specific achievements made by its departments each fiscal year in the Annual Budget document to encourage greater understanding about department resource allocations and the effectiveness of their programs. Lastly, City staff reports directly to the City Council on an annual basis with a comprehensive summary of progress made toward implementing Strategic Plan objectives that identifies areas where further policies or program changes may be necessary to enhance the City’s efforts. One such update was provided to the Council on 2002 activities, and it is anticipated that with the next report on 2003 activities in FY 04, these updates will become semi-annual on a go-forward basis.



Three-Year Financial Strategic Plan – The Three-Year Plan was developed to provide a framework through which the City can bring its ongoing revenues and expenditures into structural balance in a logical and balanced manner over the next three years. The Three-Year Plan was endorsed by the City Council in March 2003. FY 04 marks the first year of the Three-Year Plan's implementation. The recommendations contained in the Three-Year Plan focus the organization on its core services and programs, and outline deliberate expenditure reduction measures as well as revenue enhancing mechanisms to downsize and align the organization based upon input from the community in identifying core services and options for reducing City costs or enhancing resources.

Cost reductions are the primary recommendations in the Three-Year Plan (83 percent), while revenue enhancements (12 percent) and increased return on municipal assets (5 percent) also factor into the Three-Year Plan's proposed solutions to the structural deficit. Furthermore, the Three-Year Plan explores potential areas for service restructuring, organizational consolidation and other cost saving measures that will allow the City to bridge its budgetary gap while maintaining core services and investments in critical infrastructure. To this end, the Three-Year Plan called for review of key municipal services such as code enforcement, workers' compensation & occupational health and fire services (please refer to the Work Process Review/Optimization subsection below for more details), and the contracting-out of targeted services (including landscape & street median maintenance, reprographics, billing & collections and custodial services).

Development of Three-Year Plan initiatives were linked to Strategic Plan goals, taking community priorities into account, trying to minimize the negative impacts on established goals of the Strategic Plan. The Three-Year Plan was also designed to be a working document whose assumptions must be continually reassessed to ensure they reflect the changing economic, social and financial realities of Long Beach. The City Council's Budget Oversight Committee has been given the primary task of working with the City Auditor and the City Manager to evaluate the City's progress in achieving the goals of the Three-Year Plan.



Department Business Plans – All City Manager-departments are currently developing comprehensive operating plans for their organization. Each Business Plan is a means by which a department identifies its mission and goals with the City's overarching goals and objectives, which in large part correlate to the 2010 Strategic Plan.

Business Plans assist departments to identify strategies and activities that will support the achievement of its goals. During the coming fiscal year, the Business Plans will include specific outcome measures to track the effectiveness of each department's goals. Such measures will be used by decision-makers and community members to hold departments accountable for their performance.

In the future, measures of efficiency will be developed to provide a more comprehensive analysis of annual performance. The Business Plans will be updated annually to reflect customer needs and the changing service delivery environment.

Department Service/Program Prioritization – The City has begun to orient itself toward the services it provides, rather than its organizational structure (departments and bureaus) as has been its traditional practice. This recasting of the City's organization will allow for the identification of duplication and/or omission in service delivery throughout the City.

To facilitate this process, each City Manager-department was asked to perform a Service/Program Prioritization during FY 03, which identified each department's activities, aggregated by its Business Plan goals. This exercise identified over 486 distinct services and programs provided by the 13 departments. Over the years, the City has added a considerable number of worthwhile programs during the revenue abundant 1990s. The Three-Year Plan has shifted the organization's focus to preserving its core services, shedding those programs that are no longer effective or no longer contribute to achieving the strategic goals of the organization.

During FY 04, budget/financial information will be linked to this programs structure, to further provide insight into the effectiveness of current programs, and like Strategic Plan activities, ensure that scarce resources are being allocated to priority areas.

Work Process Review/Service Optimization – The City has been exploring ways in which it can provide services at lower costs without jeopardizing the public value they create. During the 1990s, a Work Process Review protocol was developed in response to Proposition L (contracting-out City services) as a systematic means of reviewing the City's service delivery mechanisms for cost competitiveness.

The Three-Year Plan, however, called for the comprehensive review of several key programs in an effort to identify cost saving and service optimization measures for the near-term. As a result, the City formed citywide, interdepartmental teams to design and administer four major service optimization studies: Employee Compensation & Benefits, Code Enforcement & Nuisance Abatement, Workers' Compensation & Occupational Health, and Fire Services & Dispatch. It is anticipated that these studies will produce recommendations for service improvement to be implemented during FY 04 and FY 05.

The Three-Year Plan also identified several current operations and practices that would likely generate costs savings through the potential redesign of service delivery mechanisms and/or consolidation of functions. These include but are not limited to: fleet maintenance, helicopter maintenance, towing operations, reprographic services, street sweeping & ticketing, parking enforcement operations, business license processing and information & technology services. The City is currently performing internal analyses regarding potential savings in each of these areas.

While the reviews recommended above could result in significant savings in the future, it is important to continually assess service delivery methods to improve overall organizational effectiveness. The work process review/optimization of the City's programs and services will

become a standard practice throughout the organization, to achieve our objective for greater accountability, efficiency and effectiveness.

Department Reorganization - As a result of deliberate, ongoing operational changes, each City Manager-department has been asked to identify areas where their organizations can be restructured. These changes to the City's departments should reflect the shrinking economic environment and streamlined service priorities of the community, by right-sizing management and other staffing through consolidation or elimination of unnecessary functions, focusing each department on its core services.

Several departments will begin to undergo organizational change during FY 04, including the City Manager's Department, the Planning & Building Department, the Department of Community Development and Technology Services Department, while more reorganization will occur throughout the implementation of the Three-Year Plan.

National Civic League Stakeholders Group – In April 2000, the National Civic League (NCL), in cooperation with the International City/County Management Association (ICMA) and with support by a grant from the Alfred P. Sloan Foundation, selected Long Beach as one of three cities nationally to participate in a project to develop local government performance measures that are meaningful to citizens. City Council approved a list of community representatives to serve on a Stakeholders Group to provide feedback and input during this process.

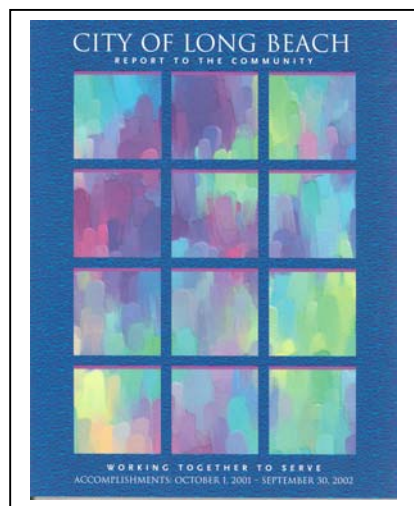
The City partnered with NCL and the Stakeholders Group to identify community-oriented outcomes based on the goals of the 2010 Strategic Plan. These outcome statements will provide targets upon which the City and community can measure its progress toward achieving the Strategic Plan's overall objectives, which in turn will provide a results-based means to determine if resources invested in City programs and services are producing the expected maximum value for citizens.

As the outcomes and indicators develop, the City Manager's Report to the Community and other performance reports will begin to utilize and feature the outputs developed by the Stakeholders Group.



ICMA Comparative Performance Measurement - Benchmarking – Benchmarking allows an organization to make comparisons between industry leaders, conduct a full analysis of the performance gap between the City and best-in-class performers, identify process differences and adopt changes in procedures required to make the City more competitive. The City of Long Beach participates in the ICMA Center for Performance Measurement's annual survey of municipal service providers, which puts Long Beach's performance into a regional and national context, providing insight into how the City compares with benchmark jurisdictions in primary service areas. Data collected by ICMA is shared with department heads to help management assess where improvements in service delivery can be achieved.

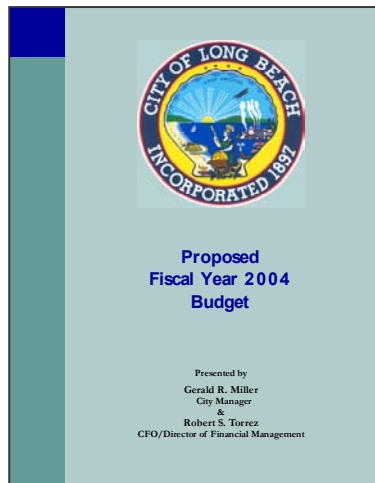
ICMA's Comparative Performance Measurement Project was established to assist local jurisdictions in collecting, analyzing and applying performance information. Over 100 cities and counties participate in the project and use the data collected from participating agencies to improve the way they do business. Long Beach has participated in this project since 1995, making the City better equipped to benefit from benchmarking by using the nationwide and regional data available.



City Manager's Annual Report to the Community – This annual report is a key communication tool used by the City Manager to disseminate information on department goals, core City services and the City's successful efforts to achieve key 2010 Strategic Plan objectives. The Report highlights achievements within each of the five major areas of the Strategic Plan – Business Growth & Workforce Development, Community Safety, Education & Youth, Neighborhood Development, and Environment.

The 2002 and 2003 Reports specifically compare direct Strategic Plan inputs from the community (*What You Said*) and provided specific examples of how the City has responded (*What We've Done*). Since achieving the Strategic Plan's objectives will be a multilateral process requiring the mobilization of Long Beach's diverse community and business resources, the Report also evaluated where non-governmental support is still required (*What You Can Do*).

To date, Reports for 2001 and 2002 have been published, while a Report for 2003 is expected by the end of the calendar year. It is envisioned that the Report to the Community will evolve into an annual Scorecard that uses the outcome indicators and other performance measures developed by the NCL Stakeholders Group as its basis.



Annual Budget Process – The Budget is the most important policy document the City produces on an annual basis. The program and financial decisions it embodies must reflect the will of the community through the policy direction of the City Council. By developing an annual Budget based on agreed upon goals, strategies, priorities and principles that are shaped by community input, the City will better be able to focus its resources and efforts on those areas of the highest importance to the city.

This can only be achieved through a process that is open and transparent, that seeks and utilizes input from a diverse cross-section of the community, and offers ample opportunities for review and revision. The FY 04 annual budget process is an unprecedented attempt to do just this. Through a series of community outreach activities that began during the spring and extend through budget adoption on September 16, 2003 (Town Hall meetings, Budget Summit, neighborhood, board, committee and commission meetings, budget workshops and hearings, etc.) coupled with the early

preview of the City Manager's Proposed FY 04 Budget, there has been an unparalleled number of opportunities for the community to review and comment on the basic assumptions of the FY 04 budget.

Going forward, through the increased use of department business plans, performance data, organizational and program financial models, clear policy guidance from the City Council and an even greater emphasis on community input, the Annual Budget Process will become the ultimate reflection of the City's commitment to Performance Management.

Community Involvement – Civic participation is a key factor in the quality of life for our community. One of the greatest challenges for public officials, especially given the current environment of public disillusionment with government, is to connect meaningfully with the residents and stakeholders it serves. Without an engaged public however, it is difficult to create the partnerships needed between community and government to identify and address the diverse service needs of a large, multi-ethnic community. The City has learned through the development of the Strategic Plan 2010, the Three-Year Plan and other community initiatives that connecting and consulting with the community enhances the City's ability to serve its various constituencies.

Creating a relationship between the community and its government that is more meaningful, collaborative and mutually beneficial is one of the top priorities for the City Manager. While this may be a difficult task under the best of circumstances, it is important that the City take proactive strides toward bridging the gap in trust, cooperation and understanding that has developed in Long Beach over the past several years. An informed and active community providing critical feedback will ensure that all City activities are in alignment with the strategic objectives of the community, and are being implemented in a way that promotes transparency and deliberation for all residents.

To this end, the City Manager departments have performed an internal review of how it communicates, solicits input and encourages interaction with the community in its decision-making processes. As a result, the City Manager will bring a recommendation to the City Council and community to develop a Citizen Participation Plan, with the full cooperation and input of the community, that defines and institutionalizes the most appropriate and effective means by which the City and community can work together to define and resolve the myriad of complex neighborhood issues continually challenging Long Beach.

Once participatory mechanisms are firmly rooted within the City of Long Beach's business practices, as well as in the fabric of the community, the goals of transparency and accountability will become all the more achievable. All of these Performance Management Initiatives together form a coherent system of management practices that further promote transparency, accountability and enhanced public value in the services and programs the City provides.

